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SUBJECT: SPO LETTER ON EU POLICY SHIFT SPOTLIGHTS TABLOID'S POLITICAL INFLUENCE IN AUSTRIA

Ref: Vienna 942

¶1. (U) Summary: When Austrian Chancellor Gusenbauer and SPO party leader Werner Faymann chose to announce their party's new policy on EU referenda in a June 26 letter to the mass tabloid Kronen Zeitung, setting in motion a chain of events that led to the collapse of the government, the move highlighted the enduring political influence of Austria's largest newspaper. The SPO leaders informed the Kronen Zeitung that henceforth the traditionally pro-EU party would call for referenda on all EU treaties. Kronen Zeitung had been waging an aggressive campaign against the Lisbon Treaty for months prior to its ratification by the Austrian Parliament, and many politicians and pundits accused the SPO leaders of seeking an alliance with the paper in a desperate attempt to lure voters. The influence of Kronen Zeitung - which often has an anti-U.S. slant -- is nothing new; Austrian politicians have long believed the paper can shape public opinion. End Summary.

Anti-EU Campaign

¶2. (U) The June 26 letter from the two SPO leaders (reftel) announcing the new EU policy followed a months-long campaign by Kronen Zeitung against the Lisbon Treaty, which the Austrian Parliament ratified in April. The tabloid's controversial publisher and part owner, the octogenarian Hans Dichand, personally took part in at least one public demonstration against the treaty; a front page photo in his tabloid even featured him along with other protestors.

¶3. (U) The SPO's abrupt departure from its traditionally EU-friendly policies infuriated the party's junior coalition partner, the OVP, as well as the opposition parties, the media pundits, and even some within the SPO. This move, in fact, proved the proximate cause for the collapse of the governing Grand Coalition on July 7. A number of critics angrily accused the SPO leadership of adopting Kronen Zeitung's aggressively anti-EU posture in a desperate attempt to improve the SPO's flagging political fortunes.

¶4. (U) The daily regularly features columns, some written by Dichand himself, and news articles criticizing the EU. During the paper's campaign against the Lisbon Treaty, approval ratings for the EU among Austrians dipped to a record low of 28 percent, the lowest in the EU. One of the most prominent and consistent EU bashers in Kronen Zeitung is EU whistleblower Hans Peter Martin. A former investigative journalist with Germany's Der Spiegel, Martin is an Austrian EU parliamentarian who exposed rampant abuse by a number of fellow EU MPs who were illegally pocketing per diem funds. Martin contributes frequent columns to Kronen Zeitung pillorying EU bureaucrats as out of touch with ordinary citizens.

¶5. (SBU) Adding to the Kronen Zeitung's anti-EU chorus is a steady flow of letters to the editor (some even written in verse) which are given ample space each day in the letters to the editor section. Critics often accuse the paper's staff of writing these letters under fictitious names. However, it appears that the letters, in

large part at least, are genuine; MFA contacts tell us that FM Plassnik several months ago directed her staff to begin contacting the authors of each anti-EU letter to the paper to discuss their concerns. The MFA confirmed that the letters come from actual readers.

FM Tangles with Tabloid

¶6. (U) FM Plassnik (of the OVP) wrote an open letter to Kronen Zeitung June 30 in which she asserted that Dichand had told her in a 2007 meeting that he would throw his weight behind the OVP and "save the party" if the OVP would call for a national referendum on the Lisbon Treaty. Plassnik wrote that she refused this "unethical offer" and excoriated Dichand for stoking "Europhobia" in Austria. Unperturbed, the Kronen Zeitung responded the next day with a column ridiculing Plassnik and a series of letters to the editor accusing Plassnik of being "arrogant" and "aloof."

Wide, Often Anti-U.S. Influence

¶7. (U) These events have highlighted the opinion making power of the Kronen Zeitung and its crusading publisher. The tabloid's circulation, 967,000 Monday-Saturday and 1.6 million on Sunday, is by far Austria's largest. It reaches an estimated three million readers daily, dwarfing the much smaller readership of higher-brow Vienna dailies such as the centrist Die Presse (circulation 125,000) and liberal-left Der Standard (circulation 120,000). The tabloid is read by more than 40 percent of all newspaper readers in Austria. Such a market share, observers say, means the Kronen Zeitung may have the highest newspaper readership penetration in the world. At

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any rate, it is surely among the highest.

¶8. (U) The paper is consistently critical of the U.S. Administration and its policies. Its columnists and news articles delight in pummeling President Bush and U.S. foreign policy. Many of the world's ills are laid at America's doorstep, and coverage and commentary often are slanted. For instance, when President Bush nominated a prominent New York businessman as Ambassador to Austria in late 2007 (the nominee later withdrew), the tabloid's then-U.S. correspondent published a negative profile of the nominee that featured rumor and innuendo. The paper soon carried a letter from the Embassy's Charge' d'Affaires lambasting the attack and puncturing its assertions. Stories of crime and societal dysfunction from America likewise are highlighted in the daily. America's popular culture -- such as the love lives of Hollywood stars -- is also covered thoroughly. Like other Austrian media, however, the Kronen Zeitung has followed the 2008 U.S. presidential election process with interest and, on occasion, even made favorable comments about both major candidates.

Comment: A Force to be Reckoned With

¶9. (U) Dichand and his paper have deliberately sought to shape Austrian public opinion for years, often with real impact. Politicians continue to believe Kronen Zeitung's support - or opposition - can be critical. Cabinet ministers often respond immediately to critical stories or commentary in the tabloid with letters to the editor. When Austria's parliament ratified the Lisbon Treaty over the tabloid's objections, some Austrian media speculated that the newspaper had lost some of its influence. However, the paper's prominent role in the SPO's recent about-face on EU policy has silenced such speculation. Kronen Zeitung and its aging publisher retain a unique role in shaping Austrian public opinion - and politicians and media competitors know it.